



## INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Department of Insurance

909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050

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### *Fraud Statistics/Convictions Activity*

*June 2011*

#### Fraud Statistics

	<u>Month/May</u>	<u>YTD</u>
Total Referrals Received.....	76	502
Closed Referrals.....	17	365
Open Cases (Investigations-includes prior years)		229
Assigned Cases (Investigations).....	19	92
Closed Cases (Investigations).....	13	54
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	2	12
Charges (7 felony).....	7	64
Convictions (1 felony) .....	1	19
Restitution Ordered..... \$	0.00	20,423.18
Restitution Agreed.....\$	0.00	40,207.30
Investigation Expenses to Division		
Awarded.....\$	847.00	5273.17
Collected..... \$	8.55	5911.30
Administrative subpoenas issued.....	0	5
Non-licensed individuals.....	0	4
Licensed (active/inactive individuals)....	0	1
Subpoenas Received.....	0	15

## **Convictions Activity**

### Ronald L. Spadie Jr.

On July 31, 2008, Spadie presented an altered certificate of insurance from Kentucky Employers' Mutual Insurance (KEMI) to Kentucky Flooring as proof of workers' compensation coverage for Feb. 7, 2008, to Feb. 7, 2009. Spadie was not insured by KEMI and the specific policy number he used had been issued to Larry Vaughn of Apex Enterprises for July 12, 2007, to July 12, 2008. Spadie was indicted in Jefferson County on one felony count of fraudulent insurance acts. He entered a guilty plea and was sentenced to one year, which was conditionally discharged for three years, and ordered to pay a fine of \$847 to the Insurance Fraud Investigation Division.